



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-836]

Glycine from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Intent to Rescind, In Part; 2013-2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on glycine from the People's Republic of China (the PRC) covering the period of review (POR) from March 1, 2013, through February 28, 2014. The administrative review covers two mandatory respondents, Baoding Mantong Fine Chemistry Co. Ltd. (Baoding Mantong) and Evonik Rexim (Nanning) Pharmaceutical Co., Ltd. (Evonik). The Department preliminarily finds that Baoding Mantong sold subject merchandise in the United States at prices below the normal value (NV) during the POR. The Department preliminarily determines that Evonik's sales to the United States were not *bona fide* and is preliminarily rescinding the review with respect to Evonik. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.

FOR FURTHER INFORMATION CONTACT: Dena Crossland or Ericka Ukrow, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3362 or (202) 482-0405, respectively.

SUPPLEMENTARY INFORMATION:

Background

On April 30, 2014, the Department initiated an administrative review of the antidumping duty *Order*¹ on glycine from the PRC.²

Scope of the Order

The product covered by the antidumping duty order is glycine, which is a free-flowing crystalline material, like salt or sugar.³ The subject merchandise is currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 2922.49.4020. The HTSUS subheading is provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive.⁴

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act). For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The list of topics discussed in the Preliminary Decision Memorandum is provided as an Appendix to the notice. This memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System

¹ *See Antidumping Duty Order: Glycine from the People's Republic of China*, 60 FR 16116 (March 29, 1995) (*Order*).

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 79 FR 24398 (April 30, 2014).

³ *See* "Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Glycine from the People's Republic of China; 2013-2014" from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice (Preliminary Decision Memorandum), for a complete description of the scope of the order.

⁴ *See Order*.

(ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://www.trade.gov/enforcement/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Bona Fides Analysis

As discussed in Evonik's *Bona Fide* Memorandum, the Department preliminarily finds that the sales by Evonik are not *bona fide*, and that these sales, and absence of factors-of-production (FOP) data, do not provide a reasonable or reliable basis for calculating a dumping margin.⁵ The Department reached this conclusion based on the totality of circumstances, namely: (a) the atypical nature of Evonik's price; and (b) the atypical circumstances surrounding its supplier's inability to provide FOP data. Because these non-*bona fide* sales were the only sales of subject merchandise that Evonik made during the POR, the Department is preliminarily rescinding its review of Evonik.

Preliminary Results of Review

The Department has preliminarily determined that the following dumping margin exists for the period March 1, 2013, through February 28, 2014:

Exporter	Dumping Margin (percent)
Baoding Mantong Fine Chemistry Co. Ltd.	784.48 percent

Disclosure and Public Comment

⁵ See Memorandum to Abdelali Elouaradia, Acting Director, Office VI, Antidumping and Countervailing Duty Operations, through Angelica Townshend, Program Manager, Office VI, Antidumping and Countervailing Duty Operations, from Ericka Ukrow, International Trade Compliance Analyst, Office VI, titled "Antidumping Duty Administrative Review of Glycine from the People's Republic of China; 2013-2014: *Bona Fide* Nature of Evonik Rexim (Nanning) Pharmaceutical Co., Ltd.'s Sales," dated concurrently and hereby adopted by this notice (Evonik's *Bona Fide* Memorandum).

The Department intends to disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.⁶ Rebuttal briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.⁷ A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes.

Any interested party may request a hearing within 30 days of the publication of this notice.⁸ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral argument presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the date and time for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.⁹

The Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the briefs, within 120 days after the publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

⁶ See 19 CFR 351.309(c)(1)(ii).

⁷ See 19 CFR 351.309(d)(1)-(2).

⁸ See 19 CFR 351.310(c).

⁹ See 19 CFR 351.310(d).

Upon issuance of the final results of this review, the Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.¹⁰ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. If we proceed to a final rescission of this administrative review, with respect to Evonik, then its entries will be assessed at the rate entered.¹¹ For each individually examined respondent in this review whose weighted-average dumping margin in the final results of review is above *de minimis* (*i.e.*, greater than or equal to 0.5 percent), the Department intends to calculate importer- (or customer)-specific assessment rates, in accordance with 19 CFR 351.212(b)(1).¹² Where the respondent reported reliable entered values, the Department intends to calculate importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to the importer (or customer) and dividing this amount by the total entered value of the sales to the importer (or customer).¹³ Where the Department calculates an importer- (or customer-) specific weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to the importer (or customer) by the total sales quantity associated with those transactions, the Department will direct CBP to assess importer- (or customer)-specific assessment rates based on the resulting per-unit rates.¹⁴ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation. Where either the respondent's weighted average dumping margin is zero or *de minimis*, or an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or

¹⁰ See 19 CFR 351.212(b)(1).

¹¹ See 19 CFR 351.212(c)(2).

¹² See *Antidumping Proceedings: Calculation of the Weighted Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification*).

¹³ See 19 CFR 351.212(b)(1).

¹⁴ *Id.*

de minimis, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁵

On October 24, 2011, the Department announced a refinement to its assessment practice in non-market economy antidumping duty cases.¹⁶ Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales database submitted by an exporter individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. Additionally, pursuant to this refinement, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate.

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements, when imposed, will apply to all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) For the companies listed above that have a separate rate, the cash deposit rate will be that rate established in the final results of this administrative review (except, if the rate is zero or *de minimis*, then a zero cash deposit will be required); (2) for any previously reviewed or investigated PRC and non-PRC exporter not listed above that received a separate rate in a

¹⁵ See *Final Modification* at 8103.

¹⁶ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), for a full discussion of this practice.

previous segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate published for the most recently completed period; (3) for all PRC exporters that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-wide entity (*i.e.*, 453.79 percent);^{17,18} and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied the non-PRC exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

¹⁷ See *Glycine From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012*, 78 FR 20891 (April 8, 2013).

¹⁸ The Department's change in policy regarding conditional review of the PRC-wide entity applies to this administrative review. See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013). Under this policy, the PRC-wide entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the PRC-wide entity in this review, the entity is not under review and the entity's rate is not subject to change.

Dated: March 31, 2015.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

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[FR Doc. 2015-07952 Filed: 4/7/2015 08:45 am; Publication Date: 4/8/2015]